

MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE
Santa Fe, New Mexico
May 5, 2003

A regular meeting of the City of Santa Fe Finance Committee was called to order on this date at approximately 4:45 p.m. in City Hall Council Chambers. Roll Call indicated the presence of a quorum, as follows:

Members Present:

Councilor Carol Robertson Lopez, Chair
Councilor Karen Heldmeyer
Councilor Rebecca Wurzburger

Members Excused:

Councilor Miguel M. Chavez
Councilor Matthew E. Ortiz

Other Councilors Present:

Councilor Patti J. Bushee
Councilor David Pfeffer

Staff Present:

Ms. Kathryn Raveling, Finance & Budget Division
Ms. Terrie Medina, Finance & Budget Division

APPROVAL OF AGENDA

Chair Lopez stated that Councilor Coss has requested that Item 27 be pulled from the Agenda, as he would prefer to pursue a resolution supporting affordable housing as a whole in the downtown area. [Resolution directing City Manager to investigate eminent domain actions necessary to acquire El Seville Apartments.]

Ms. Raveling requested that Item 12 be postponed to the next meeting (PSA for security services, Chavez Security). She said a protest has been received on this request, to which she has responded, and the City must wait another 15 days to allow a response.

**Councilor Heldmeyer moved approval of the Agenda, as amended.
Councilor Wurzburger seconded the motion, which passed 2-0 by voice vote.**

APPROVAL OF CONSENT AGENDA

**Upon motion by Councilor Heldmeyer, seconded by Councilor Wurzburger,
the following Consent Agenda, as amended, was approved 2-0 by voice vote:**

6. Bid Openings:
 - a) Bid No. 03/48/B — Brothers Bridge Replacement; Eker Brothers, Inc.
 - b) Bid No. 03/58/B — Aerial Life Truck for Transportation Engineering Division; Bob Turner's Ford Country.
7. Request for Approval of Memorandum of Understanding — DWI Clerical Services; Santa Fe County.
 - A. Request for Approval of Budget Increase — Municipal Court, General Fund.
8. Request for Approval of Grant Award — Police Bikes; Wal-Mart Foundation.
 - A. Request for Approval of Budget Increase — Police Department; General Fund.
9. Request for Approval of Lease Agreement — Ambulance; American Red Cross, Tierra del Sol Chapter.
10. Request for Approval of Lease Agreement for Vasi/Reil Sites — Santa Fe Municipal Airport; United States of America.
11. Request for Approval of Lease Agreement — St. Francis School Parking Lot for Public Parking; St. Francis Cathedral Parish/Archdiocese of Santa Fe.
12. [Postponed to Next Meeting.]
13. Request for Approval of Professional Services Agreement — Medical Director for Fire Department; Dr. Franz Melio.
14. Request for Approval of Amendment No. 1 to Professional Services Agreement; Security Services at Santa Fe Municipal Airport; Akal Security, Inc.

15. Request for Approval of Sole Source Procurement and Professional Services Agreement — Baseline Data and Preliminary Economic Impact Analysis for the Living Wage Ordinance; Regents of the University of New Mexico — UNM Bureau of Business and Economic Research (BBER).
16. Request for Approval of Budget Increase — Employee Training; General Fund.
17. [Removed by Councilor Heldmeyer for discussion.]
18. Request for Approval of Amendment No. 1 to Professional Services Agreement — Security Services for GCCC; Akal Security.
19. Request for Approval of Procurement Under State Price Agreement — Play Equipment for La Cieneguita Park; Landscape Structures, Inc.
20. Request for Approval of Amendment No. 2 to Professional Services Agreement — Construction Engineering and Management Services for Botolph Road Improvement Project; Smith Engineering Company.
21. Request for Approval of Agreement Between Owner and Contractor; Parking Revenue Control System (RFP No. 2003/14/P); McGann Associates, Inc.
 - A. Request for Approval of Budget Increase — Parking Operations Enterprise Fund.
22. Request for Approval of Amendment No. 3 to Agreement — Legal Services for Water Division; Mark F. Sheridan, Esq. (Holland & Hart LLP)
 - A. Request for Approval of Budget Adjustments — Water Enterprise Fund.
23. Request for Approval of Amendment No. 3 to Agreement — Legal Services for Water Division; Mark F. Sheridan, Esq. (Holland & Hart, LLP.)
24. Request for Approval of Amendment No. 3 to Agreement — Legal Services for Water Division; Montgomery & Andrews, P.A.
25. Request for Approval to Publish Notice of Public Hearing on June 11, 2003, of an Ordinance Creating a New Section 14-5.2(K) SFCC 1987 Requiring Review of an Historic Compound Plan by the Historic Design Review Board. (Councilors Heldmeyer, Wurzbarger, Chavez)

APPROVAL OF MINUTES:

March 17, 2003

Councilor Heldmeyer moved approval of the Minutes of the March 17 meeting, as submitted. Councilor Wurzbarger seconded the motion, which passed 2-0 by voice vote.

March 31, 2003

Councilor Heldmeyer moved approval of the Minutes of the March 31 meeting, as submitted. Councilor Wurzbarger seconded the motion, which passed 2-0 by voice vote.

DISCUSSION AGENDA

Request for Approval of Sole Source Procurement — GIS Development Software; Geographic Information Services, Inc.

A. Request for Approval of Budget Adjustments — Various Funds.

Councilor Heldmeyer asked Neighborhood Assistance Facilitator Monica Montoya if this new software will list all conditions of approval that are attached to a piece of land, whether those conditions are imposed by the H-Board, Board of Adjustment, Planning Commission or the City Council.

Ms. Montoya responded that the program tracks conditions of cases that are acted upon by Planning Commission, Board of Adjustment, City Council and any other development review committees that will use the software. She added, however, that this cost estimate does not include the H-Board, since the funding is not sufficient to cover the cost of licenses necessary for H-Board staff to use the software.

Councilor Heldmeyer asked ITT director Rick Carlisle if PDR staff could put in information from the H-Board, and Mr. Carlisle responded that they could; in other words, they could use a licensed machine, since the license is by location rather than by person. He said ten concurrent licenses will be purchased.

Councilor Heldmeyer moved for approval with the proviso that the H-Board conditions, etc., are included.

Councilor Heldmeyer pointed out that Councilors get complaints about non-compliance in areas such as this, and expressed concern that City staff may not have enough information for follow up.

Chair Lopez asked Mr. Carlisle to provide a list of where the ten licenses will be located so H-Board members “don’t have to go to another office down the hall — that they would have one of those licenses to fully access, and all the other areas of Planning as well.”

Councilor Heldmeyer asked how much an individual license costs, and Mr. Carlisle responded that a license costs about \$1,200.

Councilor Heldmeyer commented that \$1,200 “in the grand scheme of things” was not that much money. She said she suspected that much could be saved in staff costs in a matter of two or three months.

Councilor Heldmeyer restated her motion to include buying a license for the H-Board.

Councilor Wurzbarger seconded the motion.

Councilor Heldmeyer asked GIS manager Lance Tyson to discuss how work was progressing with the County in terms of coordinating GIS information, and whether those pieces of information would also go into this system.

Mr. Tyson responded that staff continues to coordinate GIS development efforts with the County, and this program will use the parcel database, which is getting better by the day. He said the Assessor’s office has three or four people entering parcel data as subdivisions are approved, and that will be linked with the ownership database.

Councilor Heldmeyer asked approximately when someone will be able to walk into City Hall and look at a piece of land for sale with the zoning designation, overlay district, and conditions placed on the land.

Mr. Tyson responded that this should be possible in another three months.

Councilor Heldmeyer asked staff to arrange a demonstration before Finance, Public Works or the City Council once the system is installed and working.

Chair Lopez said this will be very valuable for neighborhood associations. She suggested that an explanatory flyer be designed once the City Council approves this request.

Chair Lopez asked if the County uses this software as well, and Mr. Tyson responded that the application under discussion (Zoning Analyst) is not being used by the County.

The motion passed 2-0 by voice vote.

Request for Approval of Community Development Block Grant (CDGB) Contract — Administration Services for Small Business Development Loan Program (RFP No. 2003/10/P); New Mexico Community Development Loan Fund (NMCDLF).

Community Development planner Craig Fiels noted that the Finance Committee, at the last meeting, requested three things, the first of which was to refer the contract to the Economic Development Review Committee for review by that committee's bankers. He referred to the EDRC minutes in the packet, reflecting a presentation by Century Bank Mike McGonagle, who recommended approval of the contract, and that motion passed unanimously.

Regarding the second request, how the proposal fits into the planning process, Mr. Fiels noted that small business development has been identified as an urgent need since 1989 in the City's Consolidated Plan. He stated that the City has invested more than \$750,000 in small business development activities to create and retain jobs for low and moderate income people in Santa Fe, resulting in more than \$2.1 million in loans and a total of 76 jobs created and/or retained.

Regarding the third request, for a financial breakdown of the contract's compensation, Mr. Fiels said he outlined that information in his cover memorandum. He said 47.4% of the \$100,000 budget is used to make at least 50 technical assistance assessments to small business owners, resulting in a minimum of 12 new loans and/or loan guarantees. He stated that 44% is for servicing the existing loan portfolio, and 8.2% for administration of the loan program that is unrelated to making or servicing loans.

Councilor Heldmeyer said this raises the question of how this ties in with the new economic development plan. She asked when the consultants would be reviewing the contracts.

Planner Steve Whitman responded that the plan should be finished in September, so he thought the consultants would be done by July.

Councilor Heldmeyer asked if the study of the economic development plan would include the question of whether it would actually be cost effective to increase the loan fund in terms of the fixed cost of the overhead.

Mr. Whitman responded that he thought this a very good point, and staff would see that the question was addressed.

Mr. Fiels added that staff has been working for the past year on improvements to the loan programs and their performance such that they would go from a minimum of 12 loans to 18 loans, 24 loans and more. He stated that this expansion goal would offer more bang for the buck in the program.

Mr. Fiels clarified for Councilor Heldmeyer that the number of loans is not written anywhere as policy, but staff's goal is to effect more small business development by creating greater access to capital.

In the course of discussion, Councilor Wurzburger said she wanted to reinforce Councilor Heldmeyer's point that the consultants should look at the cost effectiveness of increasing the loan fund in light of fixed costs.

Chair Lopez observed that the contract includes Time of Performance, allowing it to be extended in one-month increments for a period not to exceed six months, and asked if there was a term of the contract.

Mr. Whitman responded that this is a standard one-year contract with no renewal clauses.

Chair Lopez commented that her only concern was the lack of a renewal provision, given the amount of work involved in developing and issuing RFPs in general.

Councilor Wurzburger moved for approval. Councilor Heldmeyer seconded the motion, which passed 2-0 by voice vote.

**Request Approval to Publish Notice of Public Hearing on May 28, 2003 of an Ordinance Amending Section 14-8.6(B)(9)(b) SFCC 1987 Relating to Off-street Parking in the Business Capitol District, and Establishing a Fee in Lieu of Parking Program to be Devoted to Parking Structures and Multimodal Improvements.
(Councilor Bushee)**

Councilor Heldmeyer noted that this item generated extensive discussion at the Public Works Committee with respect to problems and potential "holes" in this; however, the majority voted to pass it on with the hope that those problems could be solved before the Council hearing. She added that Councilor Pfeffer voted against, and she would have voted along with him, were she not the chair, because she did not think this ready for a hearing.

Chair Lopez said she thought there was a fund established for this, and City Planner Cyrus Samii responded that the City took IOUs in place of required parking for developments that would have contributed to a parking assessment district, were one to be formed, but it never materialized.

City Public Works director Mike Lujan explained that no monies were collected. He stated that the Governing Body at the time approved an interim administrative policy that would allow people to have their parking requirements waived if they agreed to be part of an assessment district. He said Planning & Land Use recorded nine properties. He went on to state that the interim policy was rescinded in the early 1990s because there was no clear course of action on a parking assessment district.

Councilor Pfeffer said he chaired the Planning Commission subcommittee on this item. He stated that the main difference between the bill before the Committee tonight and what the subcommittee sent forward was retaining the option of leasing off-street parking located within 600 feet of the nearest property, which in fact the subcommittee opted to increase to 1000 feet. He stated that this bill only presents the option of a fee-in-lieu-of off-street parking downtown; and his mind, this will create a problem. He noted that the only reason the 600-foot leasing option was removed was because the City couldn't track it or enforce it. He added, however, that the delays and problems with building the parking garage at the Railyard, which is supposed to be done by July 2004, "are indicative of other staff problems that might relate to creating a parking garage to take care of all the new parking demand that will not be met in the interim."

Councilor Wurzburger moved to send this back to the Public Works Committee for further review.

Councilor Heldmeyer explained that another concern raised at the Public Works Committee was that, with a fee in lieu of as the only option, downtown businesses would not have to provide parking. She said this raises the question as to where the money would go — for the Railyard garage or the Civic Center garage. She stated that it wasn't clear whether downtown merchants would consider the former a good use of their funds.

Councilor Heldmeyer said another concern is that the bill doesn't differentiate between the downtown and the rest of BCD, which have very different parking needs.

Councilor Heldmeyer also pointed out that, according to City planner Greg Smith, the overall effect will be increased densification of the downtown. She said obviously that will extend to the entire BCD. She added that, while there are places within the BCD that would be capable of providing parking if required, "under this

ordinance, they wouldn't be required to — so all they'd do is build out and say, 'you're on your own for parking, folks.' ”

Chair Lopez said she would like to see the issues of the two garages combined along with the fee in lieu of and other considerations, and then see it move forward. She expressed concern about a piecemeal establishment of this fund without clear direction from the Council in terms of where parking should be and so forth.

[Councilor Bushee joined the proceedings.]

Mr. Samii clarified that the City Council has already approved the request to publish, so the hearing will be on May 28.

Councilor Heldmeyer commented that the ordinance does not address all of the issues raised at this meeting. She said she thought a piece would be included delineating what the cost of a fee in lieu of should be — it is based on the cost of a surface parking place, but in fact some parking places will be underground, and the cost per space in those instances is considerably more.

Councilor Wurzbarger amended her motion to include the clarification that City Council is being asked to answer the questions raised by this Committee. Councilor Heldmeyer seconded the motion, which passed 2-0 by voice vote.

Request for Approval of Consolidated Plan and 2003/2004 CDBG Action Plan — Application for Federal Funds; U.S. Department of Housing and Urban Development (HUD).

FHIP/HOME Planner Alexandra Ladd was present with staff members Frank Romero and Dawn Torres.

The 143-page Plan was in the committee packet. Ms. Ladd noted that HUD requires this Consolidated Plan every five years, which is composed of three parts: the institutional structure of the Plan as well as the citizen participation process (still underway); strategic plan outlining goals and objectives; and the action plan, which is amended annually.

Chair Lopez noted Councilor Coss' resolution asking the City to seek condemnation of El Seville Apartments, which has been substituted with a resolution asking that the City undertake an action plan on bringing more housing, affordable and otherwise, to the downtown area. She said Councilor Coss' concern is that the City has no strategy in this area. She asked if that effort should somehow be linked with this Plan, or is it already included.

Ms. Ladd responded that staff could specify in the Plan that the City will work toward the goals of the resolution if it is adopted. She added that objectives in the Plan are not really prioritized; rather, they are presented “as a whole toolbox of different ways to get affordable housing.”

Ms. Ladd also noted that the Plan only speaks to affordable housing by offering more options for low and moderate income people.

Chair Lopez asked what “moderate” income constitutes, i.e., would that be around \$300,000, and Ms. Ladd responded that the HUD definition of “moderate” is up to about 120% of area median income, so it would actually be close to that. She said, “We could make a reference to that in the plan, the assumption being that all the tools that are outlined in the Plan would then be used in a downtown strategy.”

Councilor Heldmeyer noted that the next item on the agenda has to do with changing the way the City looks at the Southside library. She observed that the Plan specifically speaks to building that facility, and asked if adopting the resolution would present a conflict with what is in the Plan.

Mr. Romero responded that there would be no conflict, because the Plan addresses the construction of the new library and doesn’t offer other alternatives. He said the Plan could be modified, if necessary.

Councilor Heldmeyer moved for approval. Councilor Wurzbarger seconded the motion, which passed 2-0 by voice vote.

Request for Approval of a Resolution Directing Staff to Consider Alternatives for Library Services on the South Side of Santa Fe. (Councilors Heldmeyer, Chavez, Coss, Lopez.)

Councilor Heldmeyer noted that the City has a \$6 million plan to construct a Southside library with no identified source for most of the construction cost and no identified source for increased personnel to run it. She stated that, as an interim solution, several Councilors are considering having staff consider alternatives, e.g., phasing in the new library, providing services in temporary buildings, and working with nonprofits and schools.

Councilor Heldmeyer moved for approval. Councilor Wurzbarger seconded the motion, which passed 2-0 by voice vote.

[The regular meeting of the Finance Committee concluded at approximately 5:30 p.m.; after a five-minute break, the Committee continued the annual budget review.]

**REQUEST FOR APPROVAL OF CITY MANAGER RECOMMENDATIONS
FOR THE FISCAL YEAR 2003/04 OPERATING BUDGET —
BUDGET REVIEW CONTINUED**

Members Present:

Councilor Carol Robertson Lopez, Chair
Councilor Karen Heldmeyer
Councilor Rebecca Wurzburger

Members Excused:

Councilor Miguel M. Chavez
Councilor Matthew E. Ortiz

Other Councilors Present:

Councilor Patti J. Bushee
Councilor David Coss
Councilor David Pfeffer

Staff Present:

Ms. Kathryn Raveling, Finance & Budget Division
Mr. Jim Romero, City Manager
Ms. Terrie Medina, Finance & Budget Division
Mr. Cal Probasco, Finance & Budget Division

OPENING DISCUSSION

Mr. Romero referred to a series of reports prepared by staff in response to requests made by the Committee at the last meeting.

Advertising Budget

[Submitted herewith as Exhibit "A." to these minutes.]

Chair Lopez observed that the advertising budget is about \$1.9 million annually, and approximately \$1.6 million of that comes from the 1% Lodgers Tax for the Arts and the CVB. She said the concern was that some of the remaining amount be considered for print journalism and broadcast media.

Chair Lopez said she would like to see the City diversify its advertising. She observed that almost \$350,000 was left from the \$1.9 million, and perhaps 10% of that, or \$35,000, could go towards radio advertising.

Ms. Raveling said she would report back on how much was spent on radio advertising.

Councilor Heldmeyer suggested that while it makes sense to urge listeners to visit the MRC, GCCC, etc., maybe it doesn't make sense to do legal announcements on radio. She said that, rather than saying the City should do an arbitrary 10% for radio, that should be accompanied with a specific policy for review.

Chair Lopez said it would seem like common sense that the City would be advertising water conservation and other public interest issues, but asked Mr. Romero to come forward with criteria and other ideas.

Councilor Wurzbarger observed that nearly \$40,000 was included in the current fiscal year budget just on water conservation in three areas. She recalled that the City did an excellent job in publicizing the return to Stage 2 recently, which was through a press conference; and it also did a great job on the retrofit program. She questioned how the City could spend \$40,000 getting its water message out when she has received numerous complaints from constituents who are asking what the City is doing in that area.

Ms. Raveling clarified that some of that includes the conservation fee just recently approved by the Council, and much of that will be carried over to the next fiscal year. She said the second expenditure of the \$40,000 was general water advertising, and the third was the new position that would work with the neighborhoods in the watershed.

Councilor Wurzbarger questioned the \$86,800 expenditure on MRC advertising given the deficit it has.

Gerard Martinez clarified that the budget for MRC advertising last year was over \$90,000 and was reduced to this amount. He said some went to placement in publications such as the annual tourism guide and the Visitors Guide, and this year the Maverick Agency was retained. He said they also hold the CVB advertising contract. He noted that the money has been spent on radio, TV and print media, particularly magazines.

Mr. Martinez went on to clarify that, before this year, it was hard to determine the effectiveness of the advertising. He said Maverick's contract includes developing numbers to ascertain that. He pointed out, however, that inclement weather will affect use of the golf course no matter what is spent on advertising, but added that the City has to build a loyalty program from the local area and remind outside visitors that part of the Santa Fe experience is to enjoy a round of golf.

Mr. Martinez also explained that the sports fields at the MRC have not been marketed specifically, and that is the area where the deficit is most strongly reflected, not the golf course.

Councilor Bushee recalled that the City hired a marketing coordinator for the MRC and GCCC as a shared position, and then they were added to the Maverick contract to produce a marketing plan. She wondered how effective it was to “throw some of that money at Maverick for the golf course, or potentially could be, or if it would be better spent somewhere else.” She asked CVB director Darlene Griego how effective that advertising blitz was.

Ms. Griego referred to figures in reports distributed earlier. She noted that the \$250,000 appropriation resulted in \$592,615 in direct revenues to Santa Fe, and using the 2x multiplier resulted in an estimated economic benefit to Santa Fe of \$1,185,230. She said these were very positive results.

Councilor Bushee asked Ms. Griego if there would be a way to work with the PR coordinator for the MRC and CVB to do a similar analysis for the MRC monies that would be spent, and Ms. Griego responded that a tracking mechanism could be put in place with Maverick.

Ms. Raveling and Ms. Griego agreed to produce an analysis on what the revenues would be back to the City on \$1.1 million in economic activity.

Referring to Ms. Griego's report on what items could be reduced during the current fiscal year and next fiscal year to fund the fixed route portion of Santa Fe Trails [*submitted herewith as Exhibit “B,”*], Councilor Heldmeyer asked her if she would manage with those reductions particularly in the Web site, Postage and Familiarization categories.

Ms. Griego responded that she felt she could do the same job as before with those reductions. She stated that staff attended 18 trade shows to determine their cost effectiveness, and discovered that, in some instances, the shows cost more than the money being brought in. She said staff met with the hotels and have come to an agreement that staff will attend eight shows this year, and the hotel partners will represent staff at the other shows. She stated that this allowed a considerable reduction to the travel budget that was then moved into FAM and postage to allow more direct mail.

Ms. Griego said she was fairly comfortable with the budget as presented to the Committee today, with the reductions.

Chair Lopez stated that recent economic forecasts concern her because it could represent a decrease in OTAB monies. She said she would feel much more comfortable with taking the \$20,000 in cash balances from the current year and

matching that out of next year's revenue for a total of \$40,000, and asked Councilor Coss if he would accept that as a start for the beginning of FY 2003-04, with additional increases to come later.

Councilor Coss responded that he has already brought the request down to \$115,000, and he thought a further reduction to \$40,000 was drastic.

Councilor Coss said he would accept \$40,000 now and \$40,000 at midyear.

Chair Lopez clarified that the balance in cash reserves now was \$18,000, so that could be added to \$22,000 at the beginning of next fiscal year, and then at midyear the Committee could evaluate progress.

Councilor Heldmeyer questioned how many bus shelters that would buy; in her mind, it would be too few.

Mr. Romero noted that the Transit budget includes another \$150,000 for amenities and ADA issues.

Transit director Tom Williams clarified that a small bus shelter could cost between \$3,000 and \$4,000, and it would be roughly another \$2,000 to \$3,000 for the pad, and then the installation would be another \$1,500 to \$2,000, for a total of \$7,000-\$8,000.

Mr. Romero said he would use the LOCALS program to address all of the ADA issues and install the shelters.

Councilor Heldmeyer proposed allocating \$60,000 at the beginning of the fiscal year and \$60,000 at midyear.

Chair Lopez observed that this would total \$270,000 with the \$150,000, and Councilor Coss pointed out that it was his initial intent to put \$250,000 into improvements in the transit system. He said he amended the resolution to reduce the amount and to ask Transit to show a very specific plan by August for what passenger amenities would be installed to be in compliance with the ADA.

Councilor Coss also clarified that he did not know, at the time he introduced the resolution, that staff would propose putting \$150,000 into Transit.

Councilor Pfeffer said it concerned him that the lower amount would not allow enough amenities to meet the 12% visitor ridership criteria that prompted Councilor Coss' resolution in the first place. He said he had mixed feelings, though, in terms of spending money specifically targeted to a good cause (ADA improvements) but one not related to tourism.

In the course of discussion, Chair Lopez asked Councilor Coss if he would be willing to take less out of the CVB and accept a total of \$200,000, which would include the \$150,000, with a review at midyear.

Councilor Coss said he was trying to stay as close to \$100,000 from OTAB as possible.

Councilor Heldmeyer moved to award \$120,000 to Transit from the CVB with the proviso that \$60,000 will be available at the beginning of the fiscal year, and at midyear the Committee hears a report from CVB about whether that is feasible to do for the second half of the fiscal year.

Councilor Wurzburger seconded the motion, which passed 2-0 by voice vote.

Councilor Wurzburger moved to approve the CVB budget as submitted, with this change. Councilor Heldmeyer seconded the motion, which passed 2-0 by voice vote.

Mr. Romero noted that staff was asked to meet with Councilor Chavez on the Chamber of Commerce contract, which was to be reduced from \$25,000 to \$12,500, but that meeting has not materialized. He said staff will proceed with the \$12,500 proposal; and if that changes as a result of the meeting with Councilor Chavez, staff will bring that up at the City Council meeting.

ADA Coordinator

Chair Lopez noted that the ADA coordinator has been moved into Public Works, and she is receiving telephone calls about this. She said the head of the Governor's Committee on the Concerns of the Handicapped also called her. She commented that someone in a wheelchair has a great deal of difficulty getting into City Hall from the parking lot because of the bricks and other things. She said she was concerned to see ADA go so far down on the Public Works list.

Mr. Romero clarified that Mr. Ortiz, the ADA coordinator has been in Public Works for the last two years under the Engineering group. He said staff thought Mr. Ortiz would be more effective working out of Property Control in terms of overseeing the City's construction of its facilities. He stated that there is otherwise no change with respect to the Mayor's Committee on Disabilities in reviewing plans and working with Engineering.

Chair Lopez said there should be a budget for ADA improvements. She said the Plaza and other areas are currently inaccessible, and she thought that unconscionable.

Mr. Romero responded that every construction project in which the City is involved has an ADA budget, and all of those issues are addressed. He noted that the City is currently at the tail end of complying with the Department of Justice audit that was completed two years ago.

Councilor Heldmeyer said Councilors should consider dedicating a portion of each CIP bond issue toward ADA compliance retrofitting, since a large amount of City facilities were built prior to the ADA.

Chair Lopez said the Mayor's Committee should come up with a list of the ten worst things in the city in terms of accessibility, and the City could then address them through the bond issue monies.

Information Technology and Telecommunications

Chair Lopez asked ITT director Rick Carlisle how the phone system improvements are going, and Mr. Carlisle responded that all of the switches in the City are scheduled for an upgrade, and those upgrades are underway. He said they are all paid for and staff is addressing them one by one.

Councilor Heldmeyer responded by stressing the need to find solutions that aren't quite so personnel dependent and are less expensive. She questioned why there is no longer an email list of everyone at the City that is open to the public, for instance. She said staff can't use their own computers at home so they have to use City laptops, which adds to cost.

Councilor Heldmeyer said she and Mr. Carlisle have discussed using CIP monies for buying hardware and making some changes to the current systems for various "big things" around the City. She commented that the City is moving in the right direction, but it always has to be tempered with how much this will cost and is there a less elegant solution for a lot less money.

Mr. Carlisle explained that everybody used to have access to the City's user list, but allowing access into the database that would allow people to see everybody's email could potentially allow deeper access into the system by people in the network.

Councilor Heldmeyer asked why that couldn't just go onto the City Web site, which everybody has access to, and Mr. Carlisle clarified that people weren't actually accessing a database on the Website; rather, they were accessing the network. He stated that staff could put the database in a separate file with everybody's email list on that, although it would take a lot of manual input.

Councilor Heldmeyer said there is some “tension” in City Hall about whose email should be accessed and whose shouldn’t; and should people go through the department head first, etc. She pointed out that, in reality, people often know whom they want to contact, and there doesn’t seem to be a good reason why they should have to first go through a busy department head to reach that individual.

Mr. Carlisle responded that a search engine will be installed in the next phase that will include email addresses and phone numbers.

Responding to questioning from Councilor Pfeffer on the ability to project an image of materials under review during Council meetings for the benefit of TV viewers, Mr. Romero responded that he has asked Mr. Carlisle to look at ways of projecting materials displayed on the easels that are often used by applicants.

Councilor Heldmeyer noted that the H-Board is already using overhead projections of all of their plans and pictures.

Councilor Wurzbarger moved approval of this budget. Councilor Heldmeyer seconded the motion, which passed 2-0 by voice vote.

Request for Approval of a Resolution to Provide Lodgers Tax Funding to the Santa Fe Trails Fixed Route Transit System in Proportion to the Percentage of Ridership of the System Estimated to be Visitors to Our City. (Councilor Coss)

This item was addressed earlier in the meeting.

Councilor Wurzbarger moved for approval Councilor Heldmeyer seconded the motion, with the proviso that language be added, “or as amended by the City Council.” The motion passed 2-0 by voice vote.

Water Division

Ms. Raveling referred to the Water Operating Budget detail on pages 69-70 in the budget book. She noted that the Committee has already approved a lot of the project budget.

Ms. Raveling clarified that there is a line item for the San Juan-Chama diversion project that has about \$2.5 million in it from the last bond issue. She said future financing and bond issues will add money to that business unit.

Ms. Raveling also reminded the Committee that a comprehensive finance plan is being developed, and the Council will have to make serious decisions in regard to all

of the projects in the plan and where the money will come from for those projects. She said the plan will be ready for presentation in about 30 days,

Councilor Wurzbarger said she was very concerned that the City has waited until 2003 to be at this level of planning for a major project that has to be online in 2007.

Responding to questioning from Councilor Pfeffer, Ms. Raveling stated that revenues have been very good since the rate increase was adopted two years ago, and that is a future funding source for projects. She said staff continues to build up reserves in three different areas, as directed by a resolution passed by the City Council, and the difference can also be used for projects. Also, she said, a resolution was passed to do certain paybacks to the CIP for the \$10.5 million that was advanced to Water, and that can also be used. She stated that, as the City does the finance plan, the cash balance will be incorporated into the plan.

Councilor Pfeffer suggested that the San Juan-Chama business unit in staff's report include the earmarked amount so the Council is aware that it is "building up a kitty."

Ms. Raveling explained that the resolution first requires an audit to ensure that the City is in compliance with the bond covenants, which happened in 2002. She said \$1.5 million was distributed to the Capital Equipment Reserve Fund, the Emergency Reserve Fund and the Rate Stabilization Fund. She stated that the resolution calls for the City to build those funds up until they make up 10% of the operating budget; after that, a determination has to be made on how much the City wants to allocate to the projects. She stressed, again, that this is all part of the overall finance plan and is incorporated into that. She commented that the Council can change that resolution, but to this point she has been following the resolution on the cash reserves distribution.

Councilor Pfeffer said he thought that would be a good idea so the San Juan-Chama project could be earmarked and there wouldn't be a question about it.

Chair Lopez suggested that Councilor Pfeffer take up this discussion when the financing plan is brought forward.

Councilor Pfeffer said he wanted it to happen sooner than that. Staff agreed to bring a copy of the resolution forward with other information for further discussion.

Noting that the City will shortly have a water audit, Councilor Heldmeyer commented to Water Division director Galen Buller that people continue to be supplied with City water yet aren't paying for the service. She said this is specifically happening in the Agua Fria Street area as well as on the Eastside.

Mr. Romero agreed to look into this.

Councilor Bushee asked that the lawn at City Hall be turned into a little xeric demonstration area.

Councilor Heldmeyer moved approval of the Water Division budget. Councilor Wurzbarger seconded the motion, which passed 2-0 by voice vote.

Wastewater Division

Wastewater director Costy Kassisieh said the increase of the fixed fee from \$2.49 to \$4.32 will treat everybody in the city equally because the abutment fee is \$4.32. He said staff is requesting an increase in the user fee from \$1.83 to \$2.50, an increase of about 67¢ for every 1,000 gallons of use in the winter months only (December – February).

Mr. Kassisieh said \$1.5 million of the proceeds will go to the sludge handling facility and \$500,000 every two years will replace aging sewerlines.

Mr. Kassisieh said the last increase in wastewater was in 1997.

Chair Lopez asked if this increase will take the City through the next five years, and Mr. Kassisieh explained that it would help Wastewater obtain a loan for \$5 million to pay off over the next 20 years. He said another increase should be considered in five years.

Responding to questioning from the Committee on using a TV to survey sewerlines around the city that are backing up on the residents, Mr. Kassisieh explained that residential lines are 4 inches and the camera onto fits into a 6 inch line or more. He said there are 300 miles of sewerlines in the city, so it would be very labor intensive to survey all of them.

Chair Lopez asked staff to prepare a report on what monies will be needed in the future so the Committee can consider funding sources for sewerline upgrades and a strategic plan overall.

Mr. Kassisieh said a new camera would cost \$240,000 or more, and Mr. Romero stated that there was money in the budget for such equipment.

Councilor Heldmeyer moved approval of the Wastewater budget. Councilor Wurzbarger seconded the motion, which passed 2-0 by voice vote.

ADJOURN

Its business completed, the Committee adjourned the meeting at approximately 7:30 p.m.

Accepted by:

Councilor Carol Robertson Lopez, Chair

Reviewed by:

Kathryn Raveling, Finance Director

Submitted by:

Judith S. Beatty, Recorder